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Honorable James H. Welsh Commissioner of Conservation Department of Natural Resources P. O. Box 94275 Baton Rouge, Louisiana 70804-9275

RE:

V-Z Zone, Reservoir A
SECTION 28 FIELD
St. Martin Parish, Louisiana

Dear Sir:

Application is hereby made on behalf of Triangle Oil & Gas, Inc. to the Commissioner of Conservation for the calling of a public hearing, after legal notice, to consider evidence relative to the issuance of orders pertaining to the following matters relating to the V-Z Zone, Reservoir A, in the Section 28 Field, St. Martin Parish, Louisiana.

- 1. To dissolve the 6800' Sand Unit as established by Office of Conservation Order No. 170-P, effective July 1, 1961; the 6900' Sand Unit as established by Office of Conservation Order No. 170-Q, effective July 1, 1961; the 7000' Sand Unit as established by Office of Conservation Order No. 170-N, effective May 15, 1961; the 7100' Sand Unit as established by Office of Conservation Order No. 170-N, effective July 1, 1961; the 7200' Sand Unit as established by Office of Conservation Order No. 170-T, effective July 1, 1961; the 7200' Sand Unit as established by Office of Conservation Order No. 170-V, effective July 1, 1961; the 7280' Sand Unit as established by Office of Conservation Order No. 170-V, effective July 1, 1961; the 7300' Sand Unit as established by Office of Conservation Order No. 170-M, effective May 15, 1961; and the 6990' Sand Unit as established by Office of Conservation Order No. 170-O, effective July 1, 1961 all in the Section 28 Field and simultaneously therewith, to create a single drilling and production unit for the exploration for and production of oil and gas from the V-Z Zone, Reservoir A, in the Section 28 Field, St. Martin Parish, Louisiana.
- 2. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the unit so created.
 - 3. To designate a unit operator and a unit well for the unit so created.
- 4. To provide that any future wells drilled to the V-Z Zone, Reservoir A, should be exempt from the spacing provisions of Statewide Order No. 29-E.
- 5. To provide that the Commissioner may reclassify the V-Z Zone, Reservoir A, by supplemental order and without the necessity of a public hearing should such reclassification be warranted, based on evidence furnished the Commissioner.
- 6. To provide that the V-Z RA SUA as established by the Office of Conservation will terminate six months after unit production and unit operations have ceased.
 - 7. To discuss any other matters that may be pertinent to this application.

The V-Z Zone, Reservoir A, in the Section 28 Field, St. Martin Parish, Louisiana, is hereby defined as being that zone encountered between the depths of 7540' and 9040' (electrical log measurements) in the Tipco - Milmo No. 1 Well, located in Section 32, Township 9 South, Range 7 East, St. Martin Parish, Louisiana..

In addition to furnishing the legal notice to all Interested Parties, the applicant will provide for <u>POSTING</u> of the legal notice of the hearing and unit plat in a prominent place in the area of the Section 28 Field, St. Martin Parish, Louisiana, and will cause the legal notice of the hearing to be <u>PUBLISHED</u> in a newspaper of general circulation published in the vicinity of the Section 28 Field, St. Martin Parish, Louisiana, at least fifteen (15) days before the hearing date.

Any pertinent data relating to the subject application can be obtained, **AT THE COST OF THE REQUESTING PARTY**, from Cambe Geological Services, 1500 Gray Street, Houston, Texas 77002 (713)659-8364.

In compliance with the Rules of Procedure, a preapplication conference was held in Lafayette, Louisiana, on June 9, 2004, at which the parties named on the attached list were in attendance.

The conference was opened with a discussion by Bill McAlister, representing Triangle Oil & Gas, Inc., concerning the nature and purpose of the conference and the bases for the applicant's proposed unit.

There was a question and answer period after which the meeting was adjourned. No counterplans were presented at this conference, however, there was a request that the unit that is established by the Office of Conservation concerning this matter will terminate after unit operations and production has ceased. Our application reflects this request as per Item No. 6.

There are attached hereto and made a part hereof a plat outlining the proposed unit, the conference attendance list, and a list of the names and addresses of the Interested Owners, Represented Parties, and Interested Parties to whom this application is being sent. Pursuant to the Revised Rules of Procedure, such list of parties and proposed unit plat (being the same plat attached to the May 18, 2004 preapplication notice) are being furnished ONLY to the Commissioner of Conservation and to the District Manager of the Lafayette District of the Office of Conservation. However, said plat and the list of parties will be provided to any party requesting copies. A reasonable effort was made to ascertain the names and addresses of all Interested Owners, Represented Parties and Interested Parties.

Finally, there is enclosed our check on behalf of the applicant, Triangle Oil & Gas, Inc., in the sum of \$7,550.00 payable to the Office of Conservation and representing the required hearing application fee.

Sincerely,

LEON, F. COMEAUX & ASSOCIATES

Bill McAlister, Jr.

BMJr/cu Enclosures

cc: Mr. Richard Hudson Office of Conservation 825 Kaliste Saloom Road Brandywine III, Suite 220 Lafayette, LA 70508-4284

Interested Parties, Interested
Owners and Represented Parties

